



APPROPRIATIONS UPDATE

HOUSE COMMITTEE ON THE BUDGET
Majority Caucus • Jim Nussle, *Chairman*

309 Cannon House Office Building
www.budget.house.gov • (202) 226-7270

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MILITARY CONSTRUCTION APPROPRIATIONS BILL FOR FISCAL YEAR 2003 H.R. 5011

SUMMARY

The Military Construction Appropriations bill reported by the House Appropriations Committee (H.R. 5011) on 25 June 2002, is consistent with the House budget resolution

for fiscal year 2003 (H. Con. Res. 353). The legislation as reported also complies with the requirements of the Congressional Budget Act.

COST OF THE LEGISLATION

H.R. 5011 as reported provides \$10.1 billion in new budget authority [BA] and \$10.1 billion in outlays for 2003 – a decrease of \$551 million in BA and an increase of \$840 million in outlays from fiscal year 2002 (see Table 1 below). The entire outlay increase is the result of increased outlays for budget authority enacted in prior years. The bill is

\$1.1 billion in BA above the President's request. It does not contain emergency-designated new BA. It does include \$50 million worth of rescissions of previously enacted BA, and \$3 million in related outlays. New BA for military construction has increased an average of 5.2 percent a year for the past 3 years.

Table 1: Military Construction Appropriations Bill
(fiscal years; millions of dollars)

	2002 Enacted ^a	Administration 2003 Request	302(b) for 2003	2003 Bill
Budget Authority	10,634	8,947	10,083	10,083
Outlays	9,218	9,848	10,058	10,058

^a Represents current House status.

COMPLIANCE WITH THE BUDGET RESOLUTION

The bill complies with sections 302(f) and 311(a) of the Budget Act. The first of these prohibits consideration of bills in excess of a subcommittee's 302(b) allocation. The second, section 311(a), prohibits consideration of legislation

exceeding the aggregate levels of budget authority and outlays established in the budget resolution. The reported bill is equal in BA and outlays to the 302(b) allocation to the Military Construction subcommittee.

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This document was prepared by the majority staff of the House Committee on the Budget. It has not been approved by the full committee and may not reflect the views of all the committee's members.

OTHER ISSUES/RESCISSIONS

The President requested \$20.055 billion in the Defense Appropriation bill's Defense Emergency Response Fund [DERF]. The funds are to be used for legislation that provides appropriations related to the war against terrorism.

Of this amount, the Appropriations Committee moved \$594 million into the Military Construction appropriations bill. The committee report states that it was the intention of Department of Defense [DOD] personnel to include the funds in the Military Construction appropriations bill, but due to a shortage of time, the requests were included in the Defense Appropriations bill. The administration has not, however, sent up a formal request to make this change.

The bill as reported is \$1.1 billion in BA more than the President's request. Compared to the President's request, the committee provided additional funds to the Navy (\$359 million), Air Force (\$311 million), Guard and Reserve (\$232 million), defensewide (\$157 million) and other categories (\$77 million). Generally, these additional funds have been allocated to a variety of military facility projects in amounts less than \$20 million. Table 2 below shows a breakdown of the bill's funding.

The bill contains \$50 million in rescissions including \$33.3 million in military construction and \$16.3 million in family housing.

Table 2: Discretionary Spending in the Military Construction Appropriations Bill
(in millions of dollars)

	Budget Authority	Outlays
Army	1,496	1,281
Navy	1,244	1,069
Air Force	955	1,062
Defense-wide	898	797
Reserve Components	530	777
Family Housing	4,247	3,982
NATO Security Investment Program	168	170
Base Realignment and Closure	545	920

Prepared by **Lynn Kremer, Mike Lofgren, Budget Analysts**
Daniel J. Kowalski, Director of Budget Review